

# State of South Dakota

EIGHTY-FIRST SESSION  
LEGISLATIVE ASSEMBLY, 2006

444M0099

## HOUSE BILL NO. 1069

Introduced by: Representatives Dykstra and Rounds and Senators Napoli, Bartling, and Gray

1 FOR AN ACT ENTITLED, An Act to establish procedures for the forfeiture of money paid by  
2 a purchaser of a tax certificate who fails to pay the subsequent taxes.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 10-23-22 be amended to read as follows:

5 10-23-22. The purchaser at tax sale or assignee of such certificate ~~may~~ shall pay any taxes  
6 levied on such real property so purchased, ~~whether levied for any year or years previous or~~  
7 ~~subsequent to such sale and still unpaid.~~ The amount or amounts paid as subsequent taxes ~~shall~~  
8 may not bear interest until on and after the date when the subsequent taxes so paid would  
9 become delinquent. The purchaser or assignee ~~shall have~~ has the same lien for such taxes paid  
10 subsequently and ~~may~~ shall add them to the amount paid under the original tax sale certificate;  
11 ~~provided that he informs the county treasurer when paying such taxes that he desires to pay them~~  
12 ~~as subsequent to such certificate.~~ The treasurer shall make out the tax receipt and duplicate for  
13 such taxes paid as subsequent, and shall write thereon, "paid as subsequent taxes" and shall  
14 enter on the record of the original tax sale the payment of ~~such~~ the subsequent taxes, giving the  
15 name of the person by whom paid, the date when paid, and the amount paid, and for what year  
16 ~~such~~ the subsequent tax was levied. Any taxes levied for any year subsequent to the sale of the



1 original tax certificate that have not been paid by the Friday before the third Monday of  
2 December shall be forfeited to the county, and all rights previously acquired under the original  
3 tax certificate shall cease and be forever barred. The county treasurer shall cancel the certificate  
4 on the county treasurer's record and note on the sale and tax records of the county treasurer's  
5 office that the tax sale certificate and the lien of such subsequent tax receipts held by the owner  
6 of the tax sale certificate are forever barred and of no validity. However, if the record owner of  
7 the real property files a petition in bankruptcy under Title 11 of the United States Code, as  
8 amended to January 1, 2006, the purchaser of the original tax certificate or assignee is not  
9 subject to the forfeiture provision of this section and has no obligation to pay any subsequent  
10 taxes levied on the real property until the bankruptcy proceedings are declared completed by a  
11 bankruptcy court. The purchaser or assignee is not subject to the forfeiture provision of this  
12 section for any taxes levied on the real property arising or becoming due after the date of the  
13 filing of the bankruptcy petition until the bankruptcy proceedings are declared completed by a  
14 bankruptcy court.